



Air Quality Permitting Statement of Basis

July 6, 2005

Tier I Operating Permit No. T1-050407

**Tesoro Refining and Marketing Co.
Burley Products Terminal**

Facility ID No. 031-00017

Prepared by:

Charles Mazzone, Permit Writer
AIR QUALITY DIVISION

PUBLIC COMMENT

Table of Contents

ACRONYMS, UNITS, AND CHEMICAL NOMENCLATURES	3
PUBLIC COMMENT / AFFECTED STATES / EPA REVIEW SUMMARY	4
1. PURPOSE	5
2. FACILITY DESCRIPTION	5
3. FACILITY / AREA CLASSIFICATION	5
4. APPLICATION SCOPE	5
5. PERMIT ANALYSIS	5
6. PUBLIC COMMENT/AFFECTED STATES REVIEW/EPA REVIEW	6
7. RECOMMENDATION	6
APPENDIX A – 40 CFR 63, SUBPART R, SCREENING EQUATION	7
APPENDIX B – AIRS INFORMATION	9

Acronyms, Units, and Chemical Nomenclatures

acfm	actual cubic feet per minute
AFS	AIRS Facility Subsystem
AIRS	Aerometric Information Retrieval System
AQCR	Air Quality Control Region
ASTM	American Society for Testing and Materials
CAA	Clean Air Act
CFR	Code of Federal Regulations
CO	carbon monoxide
DEQ	Department of Environmental Quality
dscf	dry standard cubic feet
EPA	U.S. Environmental Protection Agency
HAPs	Hazardous Air Pollutants
IDAPA	a numbering designation for all administrative rules in Idaho promulgated in accordance with the Idaho Administrative Procedures Act
MMBtu	million British thermal units
NESHAP	National Emission Standards for Hazardous Air Pollutants
NO _x	nitrogen oxides
NSPS	New Source Performance Standards
PM	particulate matter
PM ₁₀	particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers
ppm	parts per million
PSD	Prevention of Significant Deterioration
PTE	potential to emit
Rules	Rules for the Control of Air Pollution in Idaho
scf	standard cubic feet
SIC	Standard Industrial Classification
SIP	State Implementation Plan
SO ₂	sulfur dioxide
T/yr	tons per year
UTM	Universal Transverse Mercator
VOC	volatile organic compound

Public Comment / Affected States / EPA Review Summary

A 30-day public comment period for the Tesoro draft Tier I operating permit will be held from in accordance with IDAPA 58.01.01.364, *Rules*.

IDAPA 58.01.01.008.01 defines *affected states* as: “*All states: whose air quality may be affected by the emissions of the Tier I source and that are contiguous to Idaho; or that are within 50 miles of the Tier I source.*”

A review of the site location information included in the permit application indicates that the facility is located with 50 miles of a state border. Therefore, the states of Nevada and Utah will be provided an opportunity to comment on the draft Tier I operating permit.

1. PURPOSE

The purpose for this memorandum is to satisfy the requirements of IDAPA 58.01.01.300, Rules for the Control of Air Pollution in Idaho (Rules), *Procedures and Requirements for Tier I Operating Permits*.

2. FACILITY DESCRIPTION

The Burley Products Terminal (hereafter referred to as Tesoro Burley) is a bulk terminal with total storage tank capacity of approximately 5,485,200 gallons. The facility consists of 13 storage tanks, a truck loading rack with two loading spots, various fugitive points, and other insignificant activities. The terminal receives gasoline, fuel oil, and additive through a pipeline network and truck shipments.

3. FACILITY / AREA CLASSIFICATION

Tesoro Burley is classified as a major facility, as defined by IDAPA 58.01.01.008.10, because it emits or has the potential to emit 100 T/yr or more of any regulated air pollutant listed in any Subsections 006.82.a. through 006.82.e. (Rules). The facility is currently a minor source for HAP emissions.

The facility is located within AQCR 63 and UTM zone 12. The facility is located in Cassia County which is classified as unclassifiable for all criteria air pollutants.

The AIRS facility classification is “A” because the facility emits or has the potential to emit 100 T/yr or more of VOCs, a criteria air pollutant. The AIRS information provided in Appendix B defines the classification for each regulated air pollutant at Tesoro Burley. This required information is entered into the EPA AIRs database.

4. APPLICATION SCOPE

4.1 Application/Permit Chronology

March 9, 2005	DEQ received Tier I renewal application
April 15, 2005	DEQ determined application complete
May 24, 2005	DEQ provided draft permit and statement of basis to facility for comment

5. PERMIT ANALYSIS

This section of the statement of basis describes the regulatory requirements for this permitting action.

5.1 Emissions Inventory

Emissions have not increased at the facility during the term of its initial Tier I operating permit. Therefore, a new emissions inventory is not required.

5.2 Regulatory Review

This section describes the regulatory analysis of the applicable air quality rules with respect to this permitting action.

40 CFR 60.....*New Source Performance Standards*

40 CFR 60.110b.....Subpart Kb – Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984.

Tank 1004 became potentially subject to subpart Kb after changes in 1989. However, the tank achieves non-applicability through 60.110b(b) because it is limited by enforceable permit conditions to storing liquids that have true vapor pressures less than the subpart's 3.5 kilopascal (0.51 psi), the non-applicability cutoff vapor pressure.

40 CFR 60.500.....Subpart XX – Standards of Performance for Bulk Gasoline Terminals

40 CFR 60, Subpart XX applies to bulk gasoline terminal truck loading racks which have been constructed or modified after December 17, 1980, the effective date. The Tesoro Burley facility was constructed prior to the effective date; therefore, Subpart XX requirements do not apply.

40 CFR 63.....*National Emission Standards for Hazardous Air Pollutants for Source Categories*

40 CFR 63.420.....Subpart R – National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations)

Tesoro Burley used the screening equation of Subpart R to limit the gasoline throughput and therefore limit the HAP emissions to less than major threshold (10 tons per year any one HAP, 25 tons per year combined HAPs). Consequently, the facility is only subject to the monitoring and recordkeeping requirements of the subpart as defined in the permit. The monitoring and recordkeeping requirements verify that the screening equation remains accurate, and HAP emissions remain less than major source levels. In reality, Tesoro Burley's gasoline throughput is much less than allowed by Subpart R. The screening equation parameters and output are included as Appendix A.

6. PUBLIC COMMENT/AFFECTED STATES REVIEW/EPA REVIEW

In accordance with IDAPA 58.01.01.364, the draft permit developed for Tesoro Burley will be provided for public notice and public comment, including an opportunity for a hearing. The states of Utah and Nevada are affected states and will be provided with public comment package.

After the public comment period, a proposed permit will be developed taking into account all relevant comments received during the public comment period and hearing if requested. The proposed permit will be provided to EPA Region 10 for its review as required by IDAPA 58.01.01.366.

7. RECOMMENDATION

Based on review of application materials and all applicable state and federal rules and regulations, staff recommends that Tesoro Refining and Marketing Co. be issued draft permit No. T1-050407 for its Burley Products Terminal.

CM/sd Permit No. T1-050407

G:\Air Quality\Stationary Source\SS Ltd\T1\Tesoro - Burley\Public Comment\T1-050407 PC SB.doc

APPENDIX A

Tesoro Refining and Marketing Co.

Burley Products Terminal

T1-050407

40 CFR 63, Subpart R

Screening Equation Variables and Result

IDEQ SOURCE SUMMARY
Tesoro Burley Terminal

**Tesoro Burley Terminal
2005**

**40 CFR 63.420: NESHAPS Subpart R -- National Emission Standards for Gasoline
Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations)**

$$ET = CF[0.59(T_F)(1-CE) + 0.17(T_E) + 0.08(T_{ES}) + 0.38(T_I) + 8.5 \times 10^{-6}(C) + KQ] + 0.04(OE)$$

ET	CF	T _F	CE	T _E	T _{ES}	T _I	C	K	Q	OE
0.99988	0.161	0	0	0	0	2	550	4.52E-06	1,289,633	1.21

Q = 1,289,633 L/d gasoline
 = 340,685 gal/d
 = **124,350,046 gal/yr**
 = **10,220,552 gal/30 days**

Q is the throughput limit established by Subpart R. Throughput is monitored on a rolling 30 day basis.

Specifications:

No MTBE.

Two tanks in gasoline service -- both are internal floating roof.

550 valves, pumps, connectors, etc.

Uncontrolled loading racks.

APPENDIX B

Tesoro Refining and Marketing Co.

Burley Products Terminal

T1-050407

AIRS Information Table

AIRS/AFS^a FACILITY-WIDE CLASSIFICATION^b DATA ENTRY FORM

Facility Name: Tesoro Refining and Marketing Co. – Burley Products Terminal
Facility Location: Burley, ID
AIRS Number: 031-00017

AIR PROGRAM POLLUTANT	SIP	PSD	NSPS (Part 60)	NESHAP (Part 61)	MACT (Part 63)	SM80	TITLE V	AREA CLASSIFICATION A-Attainment U-Unclassified N- Nonattainment
SO ₂	B							U
No _x	B							U
CO	B							U
PM ₁₀	B							U
PT (Particulate)	B							U
VOC	A						A	U
THAP (Total HAPs)	B			B				U
			APPLICABLE SUBPART					
				R				

^a Aerometric Information Retrieval System (AIRS) Facility Subsystem (AFS)

^b AIRS/AFS Classification Codes:

- A = Actual or potential emissions of a pollutant are above the applicable major source threshold. For HAPs only, class "A" is applied to each pollutant which is at or above the 10 T/yr threshold, **or** each pollutant that is below the 10 T/yr threshold, but contributes to a plant total in excess of 25 T/yr of all HAPs.
- SM = Potential emissions fall below applicable major source thresholds if and only if the source complies with federally enforceable regulations or limitations.
- B = Actual and potential emissions below all applicable major source thresholds.
- C = Class is unknown.
- ND = Major source thresholds are not defined (e.g., radionuclides).